

Case No. A30-0290 civil (JWS)

Jeong Ho Lee

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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ALASKA

UNITED STATES OF AMERICA for)
the use of POONG LIM/PERT)
JOINT VENTURE,)
Plaintiff,)

vs)

DICK PACIFIC/GHEMM JOINT)
VENTURE, CONTINENTAL CASUALTY)
COMPANY, NATIONAL FIRE)
INSURANCE COMPANY OF)
HARTFORD, SEABOARD SURETY)
COMPANY, and ST. PAUL FIRE)
AND MARINE INSURANCE COMPANY,)
Defendants.)

Case No. A03-0290 Civil (JWS)

DEPOSITION OF DICK PACIFIC/GHEMM JOINT VENTURE

JEONG HO LEE
(Personal)
Taken March 23, 2005
Commencing at 10:55 a.m.

Taken by the Defendants
at
Renaissance Seoul Hotel
Seoul, Korea
676 Yeoksam-dong, Gangnam-gu, Seoul, Korea, 135-915

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1 SEOUL, KOREA WEDNESDAY, MARCH 23, 2005, 10:55 A.M.

2
3 JEONG-WON HONG,
4 was sworn on oath to interpret English
5 into Korean, and Korean into English
6 to the best of her ability.
7

8 JEONG HO LEE,
9 deponent herein, being sworn on oath,
10 was examined and testified as follows:
11

12 EXAMINATION

13 BY MR. POLLOCK:

14 Mr. Lee, the deposition we have taken this
15 morning and on Monday was a deposition under Federal
16 Rule of Civil Procedure 30 (b)(6). You were designated
17 as the corporate representative with regard to the
18 plaintiff, Poong Lim's claims against the defendants.

19 A Yes.

20 Q That deposition concluded awhile ago, and we
21 will now take your deposition in your individual
22 capacity.

23 So the same basic rules apply in that you are
24 under oath and providing sworn testimony.

25 A Yes.

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1 Poong Lim/Se Jin contract or was this just the
2 contract value?

3 A 350,000 United States dollar amount includes
4 the approved change orders for Poong Lim and Se Jin,
5 including exterior work support, stair and erection
6 aids. He does not know whether other change orders
7 were made afterwards.

8 MR. MACHETANZ: Can I get a clarification
9 here. At one time I thought it was 325,000 and then I
10 heard 350,000.

11 MR. POLLOCK: Yes.

12 THE INTERPRETER: 325,000.

13 MR. POLLOCK: 325 total and contract amount.

14 THE WITNESS: Yes.

15 MR. MACHETANZ: Thank you.

16 BY MR. POLLOCK:

17 Q Did Poong Lim withhold any money from Se Jin
18 on the Bassett Project?

19 A He is not sure whether we have withheld or
20 not from Se Jin.

21 Q Did Poong Lim issue any deductive change
22 orders to Se Jin on the Bassett Project?

23 A We didn't issue any deductive change orders.
24 We issued only the increasing change orders. And he
25 understands that we have more change orders which will

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1 be increasing change orders to be issued to Se Jin.

2 Q Who at Poong Lim, other than yourself, would
3 have knowledge concerning payments made by Poong Lim
4 to Se Jin on the Bassett Project?

5 A The person who is in charge of contracts,
6 H.Y. Lee.

7 Q What pending change orders are there existing
8 between Poong Lim and Se Jin concerning the Bassett
9 Project?

10 A Among the change orders that we submitted,
11 change order 8 and change order 9.

12 And also we have a change order which is part
13 of the change order containing the detailing manhours.
14 It is also related to Se Jin.

15 On the Exhibit 345 we have detailing
16 manhours.

17 Q So change orders 8 and 9 which are identified
18 on Exhibit 345.

19 So is the resolution of that change order 8
20 and 9 as between Poong Lim and Se Jin contingent on
21 Poong Lim recovering in this lawsuit?

22 A Yes, it's related.

23 Q What agreements or understandings have Se Jin
24 and Poong Lim reached concerning the outcome of this
25 litigation?

1 A Se Jin and Poong Lim did not document any
2 specific agreement on this matter. But both Se Jin
3 and Poong Lim share the understanding that all these
4 issues are due to the external impact. And both the
5 parties have the understanding that we should have
6 desirable consequences from the litigation.

7 So after the judgments are made, the two
8 parties will address the issue on a goodwill basis.

9 Q As to the amounts identified in change orders
10 8, 9 and 12 that would be attributable to Se Jin's
11 detailing, those amounts, am I correct, have not
12 currently been paid to Se Jin?

13 A Yes, that's correct.

14 MR. POLLOCK: Why don't we take another
15 ten-minute break here.

16 (Recess taken.)

17 Back on the record.

18 Q Mr. Lee, the subcontract issue in the Bassett
19 Project is with Poong Lim/PERT; is that correct, a
20 joint venture between Poong Lim/PERT?

21 A Yes.

22 Q What was PERT's role in the joint venture?

23 A Poong Lim's role spans to the CIF to the port
24 of the United States, and PERT steps in from that
25 point, and PERT takes care of the duty related issues

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